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UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE BOARD OF PATENT APPEALS
AND INTERFERENCES

Ex parte CHARLES A. ELDERING, GREGORY C. FLICKINGER,
JOHN A. SCHLACK, and JOHN P. BLASKO

Appeal 2010-001948
Application 09/712,790[1]
Technology Center 2400

Before MARC S. HOFF, ELENI MANTIS MERCADER, and BRADLEY W. BAUMEISTER, *Administrative Patent Judges*.

HOFF, *Administrative Patent Judge*.

DECISION ON APPEAL

STATEMENT OF CASE

Appellants appeal under 35 U.S.C. § 134(a) from a Final Rejection of claims 1-10, 12-18, 60, 62-65, and 68-105.[2] We have jurisdiction under 35 U.S.C. § 6(b).

We reverse.

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[1] The real party in interest is Prime Research Alliance E, Inc.
[2] Claims 11, 19-59, 61, 66, and 67 have been cancelled.

Appellants' invention concerns displaying advertising targeted to an individual subscriber or group of subscribers on a network (Spec. 2). One or more queues of advertisement resource locators (ARLs) are maintained for each subscriber on a communications network, preferably in a memory of the subscribers' set top boxes. When an advertising opportunity is detected, the ad corresponding to the ARL at the top of the queue is retrieved and inserted into the program stream at the individual addressable node of the network, e.g., the set top box. Insertion of the advertisement is independent of the program being watched (Spec. 3).

Claim 1 is exemplary of the claims on appeal:

1. A method of selectively inserting advertisements into a programming stream at different receiving nodes of a communications network, said method comprising:

(a) transmitting the programming stream from a central location to one or more receiving nodes;

(b) storing advertisements at a node of said network, each advertisement being previously matched to one or more subscribers associated with one of said receiving nodes;

(c) storing one or more queues, each of said queues corresponding to a subset of said receiving nodes, said queues comprising an ordered list of advertisement resource locators (ARLs) and a plurality of queue slots, each of said ARLs comprising data disclosing a location of a corresponding advertisement;

(d) selling specific queue slots, wherein the sold specific queue slots at least partially determine the order of the ARLs in said ordered list;

(e) determining, at each of said receiving nodes, one or more intervals in said programming stream within which advertisements may be inserted;

(f) responsive to said determination, retrieving from said queue corresponding to said receiving node one of said ARLs in accordance with said ordered list; and

(g) inserting said advertisement corresponding to said retrieved ARL into said programming stream at said receiving node within said determined one or more intervals.

The Examiner relies upon the following prior art in rejecting the claims on appeal:

Bhagavath	US 6,505,169 B1	Jan. 7, 2003 (filed Jan. 26, 2000)
Doherty	US 2003/0200128 A1	Oct. 23, 2003 (filed Mar. 10, 2000)
Zigmond	US 6,698,020 B1	Feb. 24, 2004 (filed June 15, 1998)

Claims 1, 2, 7, 8, 10, 12-18, 60, 62-65, and 68-105 stand rejected under 35 U.S.C. § 103(a) as being unpatentable over Zigmond in view of Doherty.

Claims 3-6 and 9 stand rejected under 35 U.S.C. § 103(a) as being unpatentable over Zigmond in view of Doherty and Bhagavath.

Throughout this decision, we make reference to the Appeal Brief ("App. Br.," filed June 16, 2009), the Reply Brief ("Reply Br.," filed Nov. 9, 2009), and the Examiner's Answer ("Ans.," mailed Sept. 9, 2009) for their respective details.

ISSUE

Appellants argue, *inter alia*, that neither Zigmond nor Doherty teach or suggest "selling specific queue slots, wherein the sold specific queue slots at least partially determine the ordered list of the advertisements within the queues," as recited (with minor variations) in each of the independent claims (App. Br. 13-16). The Examiner finds that the combined teachings of Zigmond and Doherty would have suggested creating a queue of ad slots, where an advertiser is sold a specific queue slot (Ans. 29-30).

Appellants' contentions, and the Examiner's findings, present us with the following issue:

Does the combination of Zigmond and Doherty teach or fairly suggest selling specific queue slots, wherein the sold specific queue slots at least partially determine the order of the ARLs (or advertisements) in the ordered list?

FINDINGS OF FACT

Zigmond

1. Zigmond teaches that

> ad selection criteria are used to filter the advertisements in step **104**. In step **106**, the downloaded advertisements, whether prefiltered or not, are stored in advertisement repository **86** . . . . In step **110**, a stored advertisement is selected according to the selection criteria as described herein. . . .When a triggering event is received according to decision box **114**, the video switch is activated in step **116** . . . displaying the selected advertisement

(col. 17, ll. 17-32).

2. Zigmond teaches that "ad selection criteria may further be used to choose advertisements based on the content of recently displayed advertisements . . . . [A]n advertiser may wish to display an advertisement to a viewer directly after an advertisement of a competitor in order to highlight the competitive advantages of its goods or services" (col. 14, ll. 13-20).

Doherty

3. Doherty teaches

> [a] method for the display of items of information designed for small and localised audiences. In particular, the preferred embodiment provides a scheduling method for scheduling items of information, which may include advertisements. These items of information may be based on conditions such as location, user interaction in addition to other definable events. During the process of scheduling an item of information, the current conditions are used to determine which item of information would get the most value out of being scheduled at that particular time. To do this, the system determines the priority of each item of information in the data base under the conditions at the particular time and selects the item of information with the highest priority. This method can be implemented on the run, so that items of information can be scheduled around unpredictable user interaction. During this processing, a user interrupt will be generated in response to a user interacting with the user interface. The schedule of items of information will be cleared in response to such a user interrupt and a time is estimated on how long the user will interact with the user interface. The process will then schedule items of information for the current estimated time. If the user is still interacting with the user interface at the end of the current estimated time, then the process will again clear the schedule, estimate a further time and schedule items of information for the next estimated time. This continues until the user is finished with the user interface and the process will then display the scheduled items of information at the current estimated time

> according to their priority. In this way, the preferred embodiment is a more flexible system, in that each advertisement is prioritised at a particular instant in time rather than placing them in a queue. Thus avoiding long queues and inappropriate items of information being displayed.

(¶ [0025]).

PRINCIPLES OF LAW

> Section 103(a) forbids issuance of a patent when "the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains."

KSR Int'l Co. v. Teleflex, Inc., 550 U.S. 398, 406 (2007). The question of obviousness is resolved on the basis of underlying factual determinations including (1) the scope and content of the prior art, (2) any differences between the claimed subject matter and the prior art, (3) the level of skill in the art, and (4) where in evidence, so-called secondary considerations. *Graham v. John Deere Co.*, 383 U.S. 1, 17-18 (1966). *See also KSR*, 550 U.S. at 407, ("While the sequence of these questions might be reordered in any particular case, the [*Graham*] factors continue to define the inquiry that controls.")

ANALYSIS

Independent claims 1, 60, and 79 recite selling specific queue slots, wherein the sold specific queue slots at least partially determine the ordered list of the advertisements within the queues. Independent claim 97 recites

selling one or more specific queue locations, wherein the specific individual queue locations at least partially determine the ordered list of the advertisements within the queues.

The Examiner finds (Ans. 28-29) that Zigmond discloses an advertisement system where individual ads are selected based on the current conditions (FF 1), and further discloses that an advertiser can have its ad selected for display directly after a competitor's ad (FF 2). The Examiner further finds that Doherty discloses an advertisement system wherein a plurality of ads are selected to be displayed in order based upon the current conditions (Ans. 28-29; Doherty Fig. 2; FF 3). From these teachings, the Examiner concludes that the combination "would clearly provide for creating a queue of ad slots . . . where an advertiser is sold a specific queue slot," i.e., the slot directly following a competitor (Ans. 29).

The Examiner further reasons that

> [a]s the combination of Zigmond and Doherty results in advertisers paying to have their ad included within the schedule . . . every individual slot within the schedule has been sold, meeting the broad claim limitations . . . By having their ads set into specific positions within the schedule, the advertisers have been sold those specific slots

(Ans. 29-30).

We disagree with the Examiner's findings and conclusions. The claims require at least partially determining "the order of the ARLs in said ordered list." Doherty teaches that the scheduling of ads is contingent on the occurrence of various conditions such as unpredictable user interaction (FF

3). Doherty also expressly states that, "each advertisement is prioritized at a particular instant in time rather than placing them in a queue" (FF 3). One cannot determine an order of the locations of the advertisements if such an order has not yet been determined, and if the order is dependent upon a condition that has not yet occurred. When the car manufacturer in Zigmond's example buys advertisement slots "directly after an advertisement of a competitor," (FF 2), it is as yet undetermined when, *or even if*, the competitor's ad will air. As a result, the selling (and buying) of queue slots does not necessarily even partially determine the order of advertisements. Furthermore, such contingent queue slots cannot be reasonably interpreted as constituting *specific* queue slots.

Because we find that the combination of Zigmond and Doherty fails to teach "wherein the sold specific queue slots at least partially determine the order of the ARLs in said ordered list" as claimed, we find that the Examiner erred in rejecting claims 1, 2, 7, 8, 10, 12-18, 60, 62-65, and 68-105 under § 103. We will not sustain the Examiner's rejection.

CLAIMS 3-6 AND 9

As noted *supra*, the combination of Zigmond and Doherty fails to teach all the elements of the claimed invention. We have reviewed Bhagavath and find that it does not remedy the deficiencies of Zigmond and Doherty. Accordingly, we find that the Examiner erred in rejecting claims 3-6 and 9 under § 103, for the reasons noted *supra* with respect to claim 1. We will not sustain the rejection.

CONCLUSION

The combination of Zigmond and Doherty does not teach or fairly suggest selling specific queue slots, wherein the sold specific queue slots at least partially determine the order of the ARLs (or advertisements) in the ordered list.

ORDER

The Examiner's rejection of claims 1-10, 12-18, 60, 62-65, and 68-105 is reversed.

REVERSED

rwk